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COULEE DES JONS GRAVITY DRAINAGE DISTRICT NO. 1
OF VERMILION PARISH

FINANCIAL REPORT

DECEMBER 31, 2002

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4/23/03

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BROUSSARD, POCHÉ, LEWIS & BREAU, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

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Crowley, Louisiana

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ACCOUNTANT'S COMPILATION REPORT

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(337) 684-2855

The Honorable Glenray Trahan
and the Board of Commissioners
Coulee Des Jons Gravity Drainage District No. 1
Abbeville, Louisiana

We have compiled the accompanying general purpose financial statements of Coulee Des Jons Gravity Drainage District No. 1, as of and for the year ended December 31, 2002, and the supplementary schedule, as listed in the table of contents. The statements and supplementary schedule, which is presented only for supplementary analysis purposes, were compiled in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting information that is the representation of the Board in the form of financial statements and supplementary schedules. We have not audited or reviewed the accompanying financial statements and the supplementary schedule and, accordingly, we do not express an opinion or any other form of assurance on them.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report dated March 13, 2003, on the results of our agreed-upon procedures.

Eugene C. Gilder, CPA*

Donald W. Kelley, CPA*

Herbert Lemoine II, CPA*

Frank A. Stagno, CPA*

Scott J. Broussard, CPA*

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Mary A. Castille, CPA*

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Terrel P. Dressel, CPA*

Retired:

Sidney L. Broussard, CPA 1980

Leon K. Poche, CPA 1984

James H. Breau, CPA 1987

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Rodney L. Savoy, CPA* 1996

Larry G. Broussard, CPA* 1996

Lawrence A. Cramer, CPA* 1999

Michael P. Crochet, CPA* 1999

Ralph Friend, CPA* 2002

Broussard, Poche, Lewis & Breau LLP

Crowley, Louisiana
March 13, 2003

COULEE DES JONS GRAVITY DRAINAGE DISTRICT NO. 1
VERMILION PARISH POLICE JURY

BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
December 31, 2002
See Accountant's Compilation Report

	Governmental Fund Types	Account Groups		Total (Memorandum Only)
	General Fund	General Fixed Assets	General Long-Term Debt	
ASSETS				
Cash and cash equivalents	\$ 42,620	\$ -	\$ -	\$ 42,620
Accounts receivable	190,881	-	-	190,881
Land, equipment, and buildings	-	396,942	-	396,942
Amount to be provided for retirement of installment purchase payable	-	-	53,915	53,915
Total assets	\$ 233,501	\$ 396,942	\$ 53,915	\$ 684,358
LIABILITIES AND FUND EQUITY				
Liabilities:				
Deduction from ad valorem	\$ 5,900	\$ -	\$ -	\$ 5,900
Installment purchase payable	-	-	53,915	53,915
Total liabilities	\$ 5,900	\$ -	\$ 53,915	\$ 59,815
Fund Equity:				
Investment in general fixed assets	\$ -	\$ 396,942	\$ -	\$ 396,942
Fund balances:				
Unreserved - undesignated	227,601	-	-	227,601
Total fund equity	\$ 227,601	\$ 396,942	\$ -	\$ 624,543
Total liabilities and fund equity	\$ 233,501	\$ 396,942	\$ 53,915	\$ 684,358

See Notes to Financial Statements.

COULEE DES JONS GRAVITY DRAINAGE DISTRICT NO. 1
VERMILION PARISH POLICE JURY

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES
Year Ended December 31, 2002
See Accountant's Compilation Report

	General Fund
Revenues:	
Taxes:	
Ad valorem	\$ 183,571
Intergovernmental:	
State revenue sharing	22,458
Other	1,664
Total revenues	<u>\$ 207,693</u>
Expenditures:	
Current:	
Public works - drainage:	
Salaries	\$ 91,360
Accounting and legal	1,598
Office	424
Insurance	22,274
Deduction from ad valorem	5,901
Supplies and tools	855
Repairs and maintenance	11,725
Group insurance	18,700
Payroll taxes	7,326
Utilities	636
Rent	4,591
Fees/permits/licenses	1,102
Gas and oil	11,862
Debt service:	
Principal retirements	37,811
Debt Service- Interest	4,417
Total expenditures	<u>\$ 220,582</u>
Deficiency of revenues over expenditures	\$ (12,889)
Fund balance, beginning	240,490
Fund balance, ending	<u><u>\$ 227,601</u></u>
See Notes to Financial Statements.	

COULEE DES JONS GRAVITY DRAINAGE DISTRICT NO. 1
VERMILION PARISH POLICE JURY

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL - ALL GOVERNMENTAL FUND TYPES
Year Ended December 31, 2002
See Accountant's Compilation Report

	General Fund		Variance
	Budget	Actual	Favorable (Unfavorable)
Revenues:			
Taxes:			
Ad valorem	\$ 181,998	\$ 183,571	\$ 1,573
Intergovernmental:			
State revenue sharing	21,600	22,458	858
Other	2,000	1,664	(336)
Total revenues	<u>\$ 205,598</u>	<u>\$ 207,693</u>	<u>\$ 2,095</u>
Expenditures:			
Current:			
Public works - drainage:			
Salaries	\$ 87,429	\$ 91,360	\$ (3,931)
Accounting and legal	1,300	1,598	(298)
Office	600	424	176
Insurance	15,733	22,274	(6,541)
Deduction from ad valorem	-	5,901	(5,901)
Supplies and tools	1,300	855	445
Repairs and maintenance	12,300	11,725	575
Group insurance	19,773	18,700	1,073
Advertising	100	-	100
Payroll taxes	6,632	7,326	(694)
Utilities	400	636	(236)
Rent	4,591	4,591	-
Fees/permits/licenses	120	1,102	(982)
Gas and oil	11,000	11,862	(862)
Vegetation control	1,000	-	1,000
Debt service:			
Principal retirements	37,811	37,811	-
Interest and fiscal charges	4,417	4,417	-
Total expenditures	<u>\$ 204,506</u>	<u>\$ 220,582</u>	<u>\$ (16,076)</u>
Excess (deficiency) of revenues over expenditures	\$ 1,092	\$ (12,889)	\$ (13,981)
Fund balance, beginning	276,639	240,490	(36,149)
Fund balance, ending	<u>\$ 277,731</u>	<u>\$ 227,601</u>	<u>\$ (50,130)</u>

See Notes to Financial Statements.

COULEE DES JONS GRAVITY DRAINAGE DISTRICT NO. 1
VERMILION PARISH POLICE JURY

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

Note 1. Summary of Significant Accounting Policies

The Coulee Des Jons Gravity Drainage District No. 1 of Vermilion Parish was created under the authority of Louisiana Revised Statutes 38:1751-1802. The Drainage District is situated in North-Central Vermilion Parish and was created on April 1, 1912, for the purpose of opening and maintaining all natural drains in the district, where drainage is accomplished using the natural force of gravity. This may be accomplished by cutting and opening new drains, ditches, and canals. As provided by Louisiana Revised Statute 38:1758, the Drainage District is governed by five commissioners. These five commissioners are collectively referred to as the board of commissioners and are appointed by the Vermilion Parish Police Jury.

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. All GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

GASB Codification Section 2100 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Oversight responsibility by the Police Jury is determined on the basis of the following criteria:

1. Appointment of governing board
2. Designation of management
3. Ability to significantly influence operations
4. Accountability for fiscal matters
5. Scope of public service

Because the Police Jury appoints the governing board and can influence the scope of public service, the drainage district was determined to be a component unit of the Vermilion Parish Police Jury, the governing body of the parish and the governmental body with oversight responsibility. The accompanying financial statements present information only on the funds maintained by the District and do not present information on the parish police jury, the general government services provided by the governmental unit, or the other governmental units that comprise the governmental reporting entity.

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

Fund accounting:

The Drainage District is organized on the basis of a fund (general fund) and account groups, each of which is considered a separate accounting entity. The operations of the general fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. The general fund is the general operating fund of the District and accounts for all of its activities.

General fixed assets and long-term obligations:

Fixed assets are accounted for in the general fixed assets account group, rather than in the general fund. Public domain or infrastructures are not capitalized. All fixed assets are valued at historical cost. No depreciation has been provided on fixed assets.

Long-term obligations are accounted for in the general long-term debt account group, not in the general fund. The two account groups are not funds. They are concerned only with the measurement of financial position and do not involve measurement of results of operations.

Basis of accounting:

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The District's accounts are reported on the modified accrual basis of accounting using the following practices in recording revenues and expenditures:

Revenues:

Ad valorem taxes and state revenue sharing are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year and become delinquent by December 31. The taxes are generally collected in December of the current year and January and February of the ensuing year.

Interest income represents amounts earned on checking accounts and certificates of deposit invested with financial institutions. Interest earned is recorded when received.

Expenditures:

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred except for principal and interest on general long-term debt which is recognized when due.

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

Budget practices:

The budgeted revenue and expenditures are based on current figures and past experience. They are discussed, approved, adopted, and amended as necessary by the Board of Commissioners at the regular monthly meetings. The budget is prepared on a basis consistent with generally accepted accounting principles. All appropriations lapse at year-end. The District does not use encumbrance accounting.

Cash and investments:

Under state law, the Drainage District may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Vacation, sick leave, and pension plan:

Full-time employees of the District with more than one year of service are allowed two weeks of vacation leave each year; full-time employees with one year's service or less are allowed one week of vacation leave each year. Sick leave is granted on an individual basis as the need occurs. The Drainage District has no pension plan. Vacation and sick leave may not be accumulated and carried into future years. At December 31, 2002, there are no accumulated vacation benefits that require accrual or disclosure to conform with generally accepted accounting principles.

Total columns on financial statements:

The total columns on the financial statements are captioned "Memorandum Only" to indicate it is presented only to facilitate financial analysis. The data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Note 2. Levied Taxes

The following is a summary of levied ad valorem taxes:

Operations & maintenance	<u>10.76</u>
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NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

Note 3. Changes in General Fixed Assets

The following is a summary of changes in general fixed assets for the two years ending December 31, 2002:

Balance, December 31, 2001	\$ 396,942
Additions - 2002	-
Reductions - 2002	<u>-</u>
Balance, December 31, 2002	<u>\$ 396,942</u>

Note 4. Cash and Cash Equivalents

At December 31, 2002, the District has cash in the form of interest-bearing demand deposits totaling \$42,620. These (book balances) deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The District has deposit balances (collective bank balances) of \$46,642 at December 31, 2002. These deposits are fully secured from risk by \$46,642 of federal deposit insurance (GASB Category 1).

Note 5. Changes in General Long-Term Obligations

The following is a summary of the long-term obligation transactions for the year ended December 31, 2002:

	Installment <u>Purchase</u>
Balance, December 31, 2001	\$ 91,726
Additions:	
Proceeds from capital lease	-
Reductions:	
2001 Principal payments	<u>37,811</u>
Balance, December 31, 2002	<u>\$ 53,915</u>

NOTES TO FINANCIAL STATEMENTS
See Accountant's Compilation Report

In August of 1999, the District purchased a new excavator under a five year capital lease at a cost of \$110,000, after a trade-in of a 1994 excavator. In November of 1998, the District purchased a new tractor, boom mower and bush hog mower under a five year capital lease at a cost of \$72,645. Upon expiration of both leases, the ownership will transfer automatically to the District. The following is a schedule by year of future minimum lease payments under these capital lease commitment as of December 31, 2002:

2003	\$ 39,433
2004	16,968
2005	<u>-</u>
Total minimum lease payments	\$ 56,401
Less amount representing interest payments	<u>(2,486)</u>
Present value of minimum lease payments	<u>\$ 53,915</u>

SUPPLEMENTARY INFORMATION

COULEE DES JONS GRAVITY DRAINAGE DISTRICT NO. 1
VERMILION PARISH POLICE JURY

SCHEDULE OF COMPENSATION PAID TO BOARD OF COMMISSIONERS
Year Ended December 31, 2002
See Accountant's Compilation Report

Sidman Adams	\$ 585
Dexter Callahan	715
Melvin Faulk, Sr.	715
Glenray Trahan	780
Larry Trahan	520
Total	<u>\$ 3,315</u>

The schedule of compensation paid board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

The per diem paid to board members is included in the expenditures of the general fund. In accordance with Louisiana Revised Statute 38:1794, each member of the board receives \$65 for each day of attendance at meetings of the board, not to exceed 36 days each year and for each day spent in the service of the board.



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Rodney L. Savoy, CPA* 1996
Larry G. Broussard, CPA* 1996
Lawrence A. Cramer, CPA* 1999
Michael P. Crochet, CPA* 1999
Ralph Friend, CPA* 2002

ACCOUNTANT'S COMPILATION REPORT ON APPLYING AGREED-UPON PROCEDURES

The Honorable Glenray Trahan
and the Board of Commissioners
Coulee Des Jons Gravity Drainage District No. 1
Abbeville, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of Coulee Des Jons Gravity Drainage District No. 1 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Coulee Des Jons Gravity Drainage District No. 1's compliance with certain laws and regulations during the year ended December 31, 2002 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$15,000 or public works exceeding \$100,000 and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

No expenditures were made during the year for materials and supplies exceeding \$15,000 and no expenditure was made for public works exceeding \$100,000.

The Honorable Glenray Trahan
and the Board of Commissioners
Coulee Des Jons Gravity Drainage District No. 1

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management failed to provide a list of immediate family members of each board member as defined by the code of ethics, and a list of outside interest of all board members and employees, as well as their immediate families.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

Not all board members provided information regarding their immediate families and business interests.

Budgeting

5. Obtained a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original and amended budget.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the minutes of a meeting held on December 12, 2001 and the adoption of the amended budget was traced to a meeting held on April 16, 2002.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues or expenditures exceed budgeted amounts by more than 5%.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues for the year met budgeted amounts by more than 5%. Actual expenditures exceed budgeted amounts by more than 5% this year.

The Honorable Glenray Trahan
and the Board of Commissioners
Coulee Des Jons Gravity Drainage District No. 1

Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

(b) determine if payments were properly coded to the correct fund and general ledger account; and

All six of the payments were properly coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Coulee Des Jons Gravity Drainage District No. 1 is only required to post a notice of each meeting and the accompanying agenda on the door of the District's office building; management has asserted that such documents were properly posted.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We scanned copies of bank deposit slips for the period under examination and did not note any deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

The Honorable Glenray Trahan
and the Board of Commissioners
Coulee Des Jons Gravity Drainage District No. 1

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

A reading of the minutes of the District for the year did not reveal any such payments. We also inspected payroll records for the year and did not note any instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

Prior Comments and Recommendations

12. Review any prior year suggestions, recommendations, and/or comments and indicate the extent to which such matters have been resolved.

Our prior year report, dated April 29, 2002, did not include any comments and/or unresolved matters.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Coulee Des Jons Gravity Drainage District No. 1 and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. However, this report is a matter of public record and its distribution is not limited.

Broussard, Roche, Lewis & Breau LLP

Crowley, Louisiana
March 13, 2003

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

3-24-03 (Date Transmitted)

Broussard, Poche', Lewis & Breaux, L.L.P
P.O. Drawer 307
Crowley, LA 70527-0307

In connection with your compilation of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of December 31, 2002. (date of completion/representations).

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes [☒] No [☐]

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes [☒] No [☐]

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes [☒] No [☐]

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes [☒] No [☐]

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes [☒] No [☐]

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes [☒] No [☐]

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes [☒] No [☐]

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes [☒] No [☐]

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes [☒] No [☐]

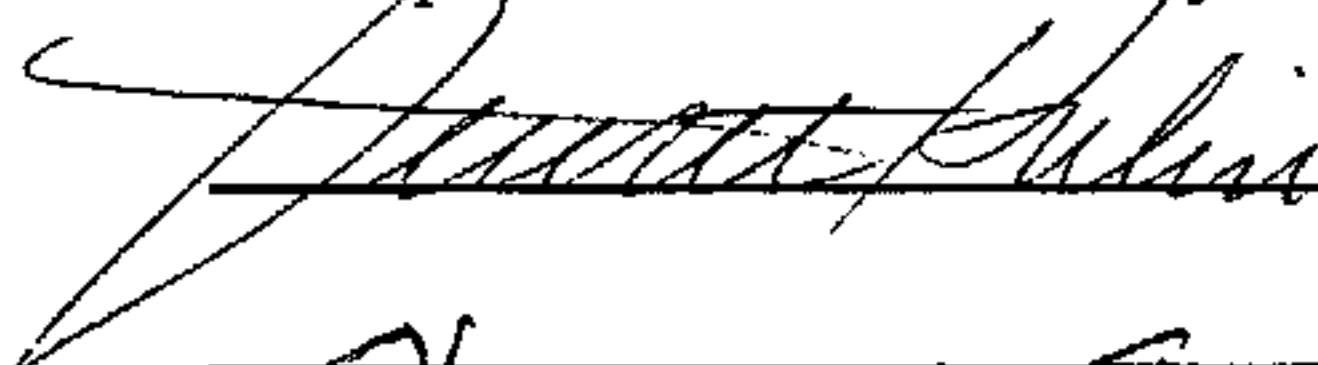
Advances and Bonuses

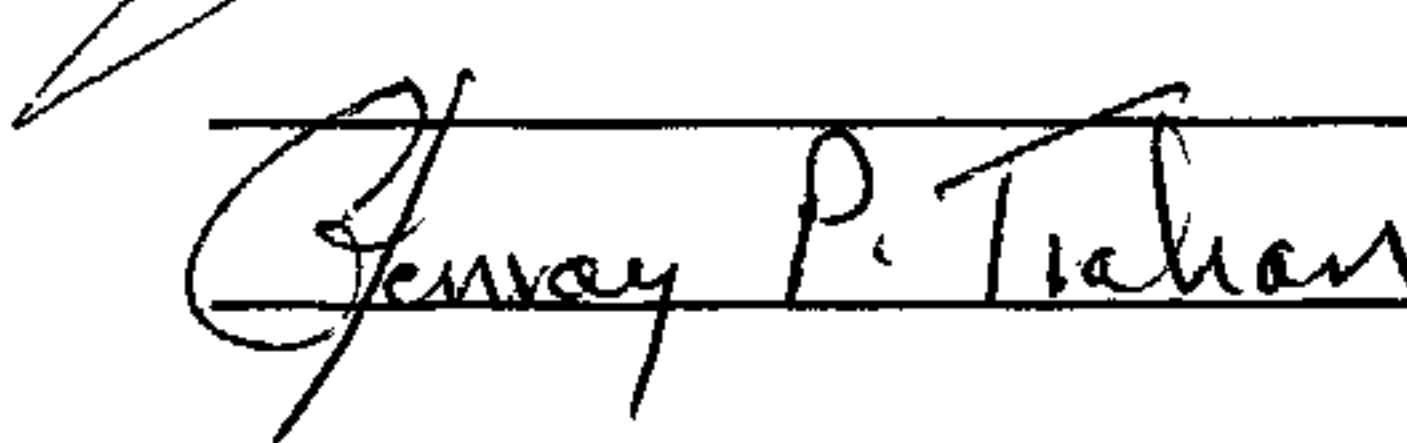
It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

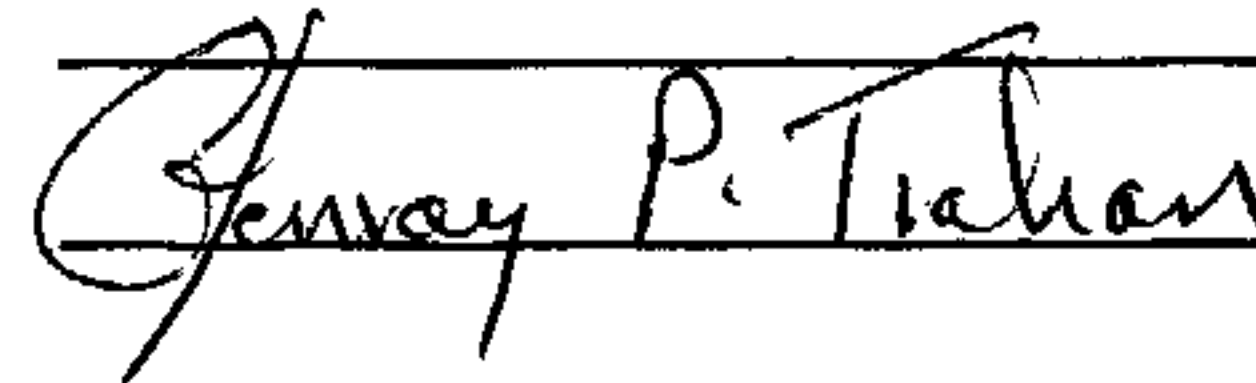
Yes [☒] No [☐]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

 Secretary 12-17-02 Date

 Treasurer _____ Date

 President 12-17-02 Date

COULEE DES JONS GRAVITY DRAINAGE DISTRICT NO. 1
VERMILLION PARISH POLICE JURY

MANAGEMENTS CORRECTIVE ACTION PLAN
Year Ended December 31, 2002

Section I. Internal Control and Compliance Material to the Financial Statements

2002-1 Budget Compliance

Finding: During fiscal year 2002, actual expenditures exceeded budgeted amounts by more than 5%.

Cause: Not enough amendments were made to the budget to meet the 5% rule.

Recommendation: We recommend management monitor the budget more closely.

Response: Management will endeavor to compare budget to actual amounts so that 5% variances can be identified and the budget can be amended to keep the District in compliance with the Local Government Budget Act.

2002-2 Code of Ethics for Public Officials and Public Employees

Finding: Management failed to provide a list of immediate family members of each board member as defined by the code of ethics, and a list of outside interests of all board members and employees, as well as their immediate families.

Cause: Not all board members provided information regarding their immediate families and business interests.

Recommendation: We recommend that all board members provide information regarding immediate families and business interests.

Response: Management will provide a list of immediate family members of each board member as defined by the code of ethics, and a list of outside interests of all board members and employees, as well as their immediate families.

Section II. Internal Control and Compliance Material to Federal Awards

The compilation/attestation report contained no findings concerning federal awards.

Section III. Management Letter

The compilation/attestation report contained no separate management letter.

Responsible party: Glenray Trahan, President